



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #902

Terminal Tax Distribution (DOT -- Transportation Finance)

CURRENT LAW

Taxes paid by any railroad company derived from, or apportionable to, docks, ore yards, piers, wharves, grain elevators and other terminal facilities are distributed annually from the transportation fund to the towns, villages and cities in which these facilities are located. The amounts are calculated and certified by the Department of Revenue, on or before August 15 of each year. Terminal tax payments were \$1,100,200 in 2000-01, although the base funding level reflected in the Chapter 20 appropriations schedule is \$1,057,400 SEG.

GOVERNOR

Estimate the annual payments from the transportation fund for the terminal tax distribution at the base level of \$1,057,400 SEG.

MODIFICATION TO BILL

Increase funding by \$72,600 SEG in 2001-02 and \$125,900 SEG in 2002-03 to reflect a reestimate of terminal tax payments at \$1,130,000 SEG in 2001-02 and \$1,183,300 SEG in 2002-03.

Explanation: Terminal tax payments are calculated by multiplying the value of terminal storage property held by railroads by the statewide average effective tax rate. Based on trends in the growth of the value of railroad property and the proportion of ad valorem tax collections paid on terminal facilities, the terminal tax payments are estimated to increase.

Modification	SEG
2001-03 FUNDING (Change to Bill)	\$198,500

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